
DEPARTMENT POLICY

This item details procedures for handling FIP, RCA, SDA, State SSI Payment (SSP), CDC, SER, and Medical Services warrants and cash EBT benefits.

WARRANTS

FIP, RCA, SDA, and SSP

Returned and cancelled warrants can be rewritten.

Note: A regular assistance warrant payable to a **deceased** client may be rewritten **only if** the case remains active under another payee. A vendor warrant to a deceased provider (for example, landlord) can be rewritten to either the executor of the provider's estate or to the client.

In some circumstances, the client may not be eligible for the warrant to be rewritten. Initiate closure when any of the following occurs:

- The post office returned a warrant to Treasury as undeliverable.
- The warrant remains uncashed for over 30 days, and there has been no contact from the client.
- The client fails to contact you by the disposition deadline for a warrant returned or delivered to the local office.

Warrants Returned to Treasury

Warrants returned to Treasury are voided. If undeliverable, MDHHS central office will forward the envelope and enclosures and send to the local office for follow up.

Check the View Benefits in Bridges, when a payee requests replacement of a warrant not received, to determine if it was returned.

- Returned warrants are replaced, by using the Rewrite Warrants screen in Bridges; see REPLACING WARRANTS/BENEFITS in this item. File a copy in the case record.

- If the warrant was **not issued**, ask a local office designated staff to contact the Michigan Department of Technology, Management and Budget (DTMB) Help Desk (517-241-9700) to determine why the warrant was not issued.
- If the warrant was issued but **not** returned; see Warrant Not Received in BAM 500.

Warrants Returned to the Local Office

The local fiscal office processes returned warrants. Forward any warrants received to that office.

The local fiscal office notifies the specialist via a DHS-2362, State Treasurer's Warrant Rewrite/Disposition Request, of client and vendor warrants that are returned **or** delivered to the local office. The DHS-2362 authorizes warrant disposition.

Determine whether the warrant should be:

- Voided and returned to Treasury.
- Voided and rewritten.
- Mailed to the client.
- Picked up by the client at the local office.

Note: Representatives picking up a warrant for a client must have the client's signed statement of permission.

Complete the DHS-2362. If the warrant must be voided and rewritten, see below for the correct rewrite procedure. Return the completed DHS-2362 to the local office designee within **10** workdays.

REPLACING WARRANTS/ BENEFITS

Local Office Replacement

Authorize replacement of a warrant/benefit using the DHS-138 or Bridges.

A replacement warrant must be for the exact amount as the original warrant/benefit. The replacement warrant will reflect **current**

Bridges information. Update payee information, if necessary, before replacing the warrant or requesting warrant rewrite.

Note: A warrant returned to the local office must be voided and returned to Treasury by the local office designee **before** it is rewritten. Notify the local office designee of the disposition via DHS-2362. The specialist must wait until the warrant status shows returned before authorizing the rewrite via DHS-2362; see Warrant Returned to the Local Office in this item.

Clients can expect warrants/benefits replaced via Bridges to arrive at the current mailing address in 7-10 days after the replacement is authorized.

Replacing Expunged Benefits

Replace expunged benefits through the Re-Issue Expunged Benefits in Bridges.

Replacing Escheated Benefits

Escheated benefits are replaced by Treasury, **not** by MDHHS. Refer clients who request replacement of escheated benefits to Treasury's Unclaimed Property Division at (517) 636-5320 or online at Michigan's Money Quest under Unclaimed Property on the Michigan Department of Treasury Web site. Escheated benefits are identified in Bridges, Benefit Issuance as Tax Offset.

Inserts and Other Enclosures

When warrants are released or rewritten, be sure clients receive all enclosures (such as, informational inserts) included with the original warrant.

Closure After Uncashed/ Returned Warrant

When a warrant is uncashed for over 60 days, or was sent back to Treasury, the specialist receives the following:

- The envelope and enclosures. Notations on the envelope usually indicate why the warrant was undeliverable or otherwise returned.
- Report PH-280, Uncashed Client Warrants.

Initiate case closure within **two** workdays of receiving the above information if there has been no client contact. Update the case with unable to locate. If the envelope notations indicate ineligibility for **previous** warrants/benefits, begin the recoupment process. If the client contacts the specialist during the timely notice period, stop the case closure and replace the warrant/benefit if requested.

Exception: Do **not** initiate case closure if the warrant sent back to Treasury is an SSP or a vendor warrant. Contact the provider or client to determine the correct address.

Unclaimed Warrant Returned to the Local Office

Close the case when a warrant is returned to the local office and the client fails to contact the specialist by the warrant status due date.

PH-280 Processing

The PH-280 helps document case actions in response to uncashed, undeliverable and voided warrants. Note in the worker action column next to each:

- The date of the case action.
- The disposition of the uncashed warrant.
- Whether the warrant was replaced.
- If **not** replaced, the reason.

Upon receipt of the PH-280, forward the previous month's report to your manager.

**MEDICAL SERVICE
AND SER OR
HEAT/ELECTRIC
VENDOR
WARRANTS**

Special procedures apply when replacing medical service warrants, SER warrants or heat/electric vendor warrants authorized in Bridges.

The Provider Management Unit (PMU) in central office will notify the specialist by memo when a warrant has been returned to Treasury.

Before authorizing a replacement warrant, verify that the provider information in Bridges is correct. Correct the information, if necessary; see BAM 435, Provider Management.

To authorize a replacement warrant:

- Complete the requested information on the memo.
- File a copy in the case record.
- Return original memo with attachments back to PMU.

**CHILD
DEVELOPMENT AND
CARE WARRANTS**

A Child Development and Care (CDC) warrant returned to Treasury or the local office can be rewritten, cancelled or released, using a DHS-2362, Services Warrant Rewrite/Disposition Request.

When a warrant includes multiple clients, and multiple specialists, only one DHS-2362 will be issued. The specialist of the first case listed on the warrant is responsible to rewrite or cancel the warrant.

The specialist can only rewrite a CDC warrant to the original payee and for the original amount.

The specialist can rewrite warrants that have been returned to Treasury using the Rewrite Warrant screen.

Central office must rewrite the warrant if the rewrite amount is for less than the original warrant.

Rewrites for a higher amount are not allowed, the provider must rebill for the higher amount.

**Warrants Received
by the Local Office**

Rewrites to a different provider are not allowed. If payment was made to the wrong provider, follow the new provider assignment process.

When a warrant is received in the local office, the local office designee completes the DHS-2362 retains the warrant and forwards the DHS-2362 to the specialist.

The specialist must determine within 10 working days if the warrant is to be rewritten, cancelled or released by completing the DHS-2362 indicating the appropriate action code.

The specialist retains a copy in the case file and forwards the completed DHS-2362 to the local office designee.

**Warrants
Undeliverable and
Returned to
Treasury**

When a warrant is returned to Treasury, the warrant status on the View Benefits screen will be automatically updated indicating that the warrant has been returned.

A Task and Reminder is generated to the specialist and designated local office designee staff person. The local office designee forwards the DHS-2362 to the specialist.

Within 10 working days the specialist completes the DHS-2362 indicating if the warrant is to be rewritten or never replaced. See instructions for completing the DHS-2362 on the form.

A rewritten warrant will be issued with the next scheduled CDC payroll if entered by the corresponding CDC deadline date; see BEM 711, CDC Payment Schedule.

Note: An EFT payment that is rewritten will be re-issued as a paper warrant.

For a warrant to be rewritten for a lesser amount:

- Complete the DHS-2362 and obtain the manager's signature.
- File a copy of the DHS-2362 in the case record.
- Forward the original to the local office designee.

The local office designee will forward the DHS-2362 to the Reconciliation and Recoupment Section in central office for processing.

For a warrant that is **not to be** rewritten:

- Complete the DHS-2362.
- Forward the DHS-2362 to the local office designee.
- File a copy in the case record.

Note: The local office can rewrite a warrant cancelled in error.

Uncashed Warrants Over 180 Days Old

Warrants that remain uncashed after 180 days will have a warrant status of cancelled on the View Benefits screen. These warrants may be rewritten by the local office using the Rewrite Warrant screen in Bridges.

LEGAL BASE

FIP

Social Welfare Act, P.A. 280 of 1939, as amended
MCL 567.221 et seq.
Mich Admin Code, R 400.3103

SDA

Annual Appropriations Act
Mich Admin Code, R 400.3151-400.3180

CDC

Child Care and Development Block Grant of 1990
45 CFR Parts 98 and 99
Social Security Act, P.A. 280 of 1939, as amended
Mich Admin Code, R 400.5001 - 400.5020

SSP

20 CRF 416
Social Security Act, §1616 [42 USC 1382e]